

SENATE BILL 286

By Black

AN ACT to amend Tennessee Code Annotated, Title 56,
Chapter 52, relative to charitable gift annuities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-52-102(a), is amended by deleting subdivision (2)(B) in its entirety and by substituting instead the following language:

(B) "Charitable gift annuity" does not include a charitable remainder trust or a charitable lead trust or other similar arrangement where the charitable organization does not issue an annuity and incur a financial obligation to guarantee annuity payments.

"Charitable gift annuity" also does not mean any transfer of cash, securities, annuities or other property by a donor to a charitable organization in return for an annuity where a commission is paid to any person as a result of the transfer unless:

(i) The charitable organization reinsures the obligation incurred pursuant to the annuity issued through the purchase of a commercial insurance annuity from an insurance company authorized under this title to conduct the business of insurance in this state; and

(ii) The commission is paid to a person licensed under chapter 6, part 1, of this title.

SECTION 2. Tennessee Code Annotated, Section 56-52-103(e), is amended by inserting the language "except as provided in § 56-52-102(a)(2)(B)" at the end of the subsection.

SECTION 3. This act shall take effect January 1, 2010, the public welfare requiring it.